Supreme Court, U.S.
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No. 01-506

IN THE

Supreme Court of the United States

LOCKHEED MARTIN CORP.,

Petitioner,

v.

SPACE SYSTEMS/LORAL, INC.,

Respondent.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF IN OPPOSITION

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CORPORATE DISCLOSURE STATEMENT

All parent corporations and any publicly held companies that own more than 10% of the stock of Space Systems/Loral, Inc. are:

Loral Space & Communications Ltd.

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REASONS FOR DENYING THE PETITION

This case presents no issues worthy of certiorari, independent of the prosecution history estoppel issues already presented in *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki*, 234 F.3d 588 (Fed. Cir. 2000) (*en banc*), cert granted, __ U.S. __, 121 S.Ct. 2519 (June 18, 2001) (No. 00-1543) ("*Festo*"). The Court of Appeals for the Federal Circuit in this case, affirming the district court's summary judgment of noninfringement, correctly held that prosecution history estoppel bars plaintiff Lockheed Martin Corporation ("Lockheed") from asserting that U.S. Patent No. 4,084,772 ("the '772 patent") covers the Space Systems/Loral Inc. ("SSL") satellites. The Federal Circuit's ruling did not extend the holdings of *Festo* or *Warner-Jenkinson Company, Inc. v. Hilton Davis Chemical Co.*, 520 U.S. 17 (1997) ("Warner-Jenkinson"), nor did it break any new ground on the law of prosecution history estoppel. Accordingly, while the Court may opt to delay ruling on Lockheed's Petition for Writ of Certiorari ("Petition") until it decides *Festo*, this case merits no additional consideration by the Court.

Even a reversal (or reversal-in-part) of *Festo* does not necessarily compel the Court to grant Lockheed's Petition (and vacate the Federal Circuit's decision and remand). There are at least two possible resolutions of *Festo* which should lead to a denial of Lockheed's Petition, because there would be no grounds for the Federal Circuit to modify its decision.

A. Lockheed's Petition Should Be Denied If The Court Affirms Festo

If the Court affirms the ruling in *Festo* that no range of equivalents is available to a claim limitation when

prosecution history estoppel applies, then it must deny Lockheed's Petition. In the present case, the Federal Circuit did not depart from or extend *Festo* (including, as Lockheed erroneously claims in its Petition, "extending" the absolute bar to "claim limitations not added by amendment"), nor did the court below establish any other novel principles. Rather, the Federal Circuit simply applied the established rules of claim construction, and prosecution history estoppel as set forth in *Festo*.

The original paragraph [b] of claim 1 included "means for rotating said wheel in accordance with a predetermined sinusoidal variation." A-21. Paragraph [b] was amended in a first response to a *prior art rejection* (the prior art explicitly reciting sinusoidal variation of satellite momentum wheels) by the Patent Office. *Id.* In the amendment, the patent applicant changed the phrase "means for rotating said wheel in accordance with a predetermined sinusoidal variation" to "means for rotatating said wheel in accordance with a predetermined *rate schedule* which *varies sinusoidally* over the orbit." *Id.* (emphasis added). The Patent Office, however, again rejected the claim in light of the prior art. In response, the applicant further amended the relevant limitation to add the phrase "at the orbital frequency of the satellite." *Id.* The Patent Office then allowed claim 1.

While Lockheed attempted to argue below and now argues in its Petition that the "sinusoidal variation" limitation of paragraph [b] was never changed, the Federal Circuit (and district court) correctly recognized otherwise.

> [T]he entire claim limitation [b] was amended *to define further the characteristics of the sinusoidal variation.* The first amendment wholly replaced the phrase 'sinusoidal variation' with the language 'rate schedule

> which varies sinusoidally over the orbit.' This amendment illustrates that the *entire* limitation of limitation [b] was changed – *not* that a completely separate limitation, unrelated to sinusoidal variation, was added.

A-23 (first sentence emphasis added). As compared to the original claim 1, the allowed claim 1 included no fewer than four narrowing amendments modifying the required manner of satellite momentum wheel rotation:

(i) the wheel must rotate according to a "rate schedule" (a limitation which was not present in the original claim).

(ii) the "rate schedule" must vary "sinusoidally" (although "sinusoidally" was in the original claim 1 limitation [b], it was in the context of "sinusoidal variation" of the "*wheel*").

(iii) the "rate schedule's" sinusoidal variation must occur "over the orbit" of the satellite.

(iv) the "rate schedule's" sinusoidal variation must occur at the "orbital frequency" of the satellite.

Lockheed nevertheless suggests that the Federal Circuit, in its prosecution history estoppel analysis, should have further broken up limitation [b] and examined *separately* each word within that limitation, to discern which aspects of the manner of wheel rotation could be inferred from the original claim language (and thus free from complete estoppel) and which could not. Taking such an approach, however, would in this case divorce the words in the claim from the specific context in which they were used. This is an improper way to analyze a claim.

Limitation [b] is written in means-plus-function form. *See* 35 U.S.C. § 112 ¶6. As the Federal Circuit recognized, the relevant "function" (and concordant limitation) is not limited only to the immediate word or phrase following the "means for" statement (here, "rotating said wheel"). *See, e.g., WMS Gaming, Inc. v. Int'l Game Tech.*, 184 F.3d 1339, 1347 (Fed. Cir. 1999). Instead, the relevant function is determined within the context of the *entire* means-plus-function clause and is "properly identified as the language after the 'means for' clause and before the 'whereby' clause." A-17. Thus, the Federal Circuit correctly construed the relevant limitation to be the required manner of rotation of the wheel – "predetermined rate schedule which varies sinusoidally over the orbit at the orbital frequency" – rather than further dividing that limitation as Lockheed requests.

Parsing the words of claim 1 and applying a "flexible bar" to each word of claim 1, as Lockheed requests, also would undermine the public notice function of claims espoused in *Festo*, 234 F.3d at 586, and in *Warner-Jenkinson*, 520 U.S. at 29. When a claim amendment modifies a feature (limitation) in the claim, such as the manner of wheel rotation in claim 1, the competitor or other third party reading the file history should not bear the burden and the risk of determining whether that particular amendment "really adds something new" to the claim (as Lockheed would have it) and is entitled to some range of equivalents. Nor should the third party bear the burden and the risk of determining what range of equivalents remains. The patent applicant, not the third party, is in the best position to clearly claim his invention. Thus, the Federal Circuit's application of prosecution history estoppel in this case supports and is consistent with the public notice function of claiming – placing the burden on the patent applicant, not the third party or competitor reading the file history, to precisely and accurately claim his invention.

Therefore, the Federal Circuit correctly held that prosecution history estoppel bars Lockheed from asserting equivalence of SSL's satellites which do not implement a "rate schedule which varies sinusoidally over the orbit." Accordingly, if this Court affirms the holding in *Festo*, barring equivalents to a limitation when the limitation is narrowed by amendment during prosecution, then there are no grounds for further consideration by the court below, and Lockheed's Petition should be denied.

B. Lockheed's Petition Should Be Denied If The Court Does Not Disturb The "Complete Bar" Rule As To Amendments Made For Patentability.

The second outcome that would compel this Court to deny Lockheed's Petition, is if this Court does not disturb the Federal Circuit's standard for applying prosecution history estoppel to establish a "complete bar" with respect to amendments made for purposes of patentability, such as to overcome prior art rejections. The Federal Circuit's decision in *Festo* attempted to distinguish and address separately (1) amendments related to patentability, *see Festo*, 234 F.3d at 566, (2) "voluntary" amendments, *see Festo*, 234 F.3d at 568, and (3) amendments for which "no explanation is established . . . thus invoking a *presumption* of prosecution history estoppel under *Warner-Jenkinson*," 520 U.S. at 33, *see Festo*, 234 F.3d at 578. The Federal Circuit ultimately decided that the "complete bar" (*i.e.*, no range of equivalents) should apply in all of these instances.

SSL offers no opinion herein on whether each of the above three "categories" should be treated equally (or whether it is even logical to create such categories), as it is not pertinent to Lockheed's Petition. In *this* case, however, the Federal Circuit stated, "[i]t is undisputed that the

amendments were made for purposes of patentability," in light of the multiple prior art rejections and the patent applicant's responses thereto. A-23. No presumption was applied in the opinion below. Accordingly, if the Court's decision in *Festo* only modifies the application of prosecution history estoppel in the context of applying the *presumption* or in the context of "voluntary" amendments, then there are no grounds for further consideration of this case below. In that instance, Lockheed's Petition should be denied.

C. Other Outcomes of Festo Also May Compel Denial, Or Supplemental Briefing

There may be other grounds for denying Lockheed's Petition, depending on how the Court resolves *Festo*. SSL respectfully requests that, if the Court resolves *Festo* in a manner that compels neither denial nor grant of Lockheed's Petition, it delay ruling on the Petition until the parties have had ample time to submit supplemental briefs in accordance with Supreme Court Rule 15. If the Court nevertheless decides that its ruling in *Festo* compels granting Lockheed's Petition, the Court may grant, vacate, and remand this case for further consideration and disposition by the Federal Circuit, in light of the prosecution history estoppel principles established by the Court, as well as the extensive other grounds that support the district court's summary judgment of noninfringement.

CONCLUSION

This case presents no independent issues worthy of certiorari. The Court should not grant Lockheed's Petition to hear this case, and should deny the Petition if the Court resolves *Festo* as discussed herein.

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Respectfully Submitted,

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